

SENATE BILL 3740

By Tracy

AN ACT to amend Tennessee Code Annotated, Title 67,  
Chapter 6, relative to sales and use tax  
exemptions for agricultural purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-6-207(a), is amended by adding the following language as a new, appropriately designated subdivision:

(20)(A) Water provided by a utility that is used directly in the production of food or fiber for human or animal consumption or to aid in the growing of a horticultural product for sale; provided, that water provided by a utility for such agricultural purposes shall be separately metered from water provided by the utility to a qualified farmer or nurseryman for non-agricultural purposes;

(B) For the purposes of this subdivision (20), "utility" means any person, municipality, county, metropolitan government, cooperative, board, commission, district, or any entity created or authorized by public act, private act or general law to provide water for sale to consumers in any particular service area;

SECTION 2. This act shall take effect July 1, 2008, the public welfare requiring it, and shall apply to water provided by a utility for the agricultural purposes enumerated in this act on or after such date.